

**UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE, DAIRY PROGRAMS**

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

January 2012

	<u>% UTILIZATION</u> <u>PER CLASS</u>	<u>PRODUCT</u> <u>POUNDS</u>	<u>SKIM</u> <u>POUNDS</u>	<u>BUTTERFAT</u> <u>POUNDS</u>	<u>PROTEIN</u> <u>POUNDS</u>	<u>OTHER</u> <u>SOLIDS</u>	<u>NONFAT</u> <u>SOLIDS</u>
Producer Milk - Class I	27.76%	194,611,089	191,259,882	3,351,207	6,364,367	11,409,939	17,774,306
Producer Milk - Class II	5.95%	41,700,200	37,881,995	3,818,205	1,254,600	2,258,604	3,513,204
Producer Milk - Class III	38.74%	271,645,207	260,782,868	10,862,339	8,991,729	15,569,353	24,561,082
Producer Milk - Class IV	27.55%	193,164,262	183,878,625	9,285,637	6,072,125	10,946,853	17,018,978
Total Producer Receipts	100.00%	701,120,758	673,803,370	27,317,388	22,682,821	40,184,749	62,867,570

	<u>POUNDS</u>	<u>BFAT</u> <u>POUNDS</u>	<u>LB/CWT</u> <u>PRICE</u>	<u>TOTAL</u> <u>DOLLARS</u>
Class I Skim Milk	191,259,882		\$13.17 /cwt	\$25,188,926.47
Butterfat		3,351,207	\$1.7395 /lb	5,829,424.58
Class I Differential at Location				3,695,220.64
Class II Butterfat		3,818,205	\$1.7248 /lb	6,585,639.98
Nonfat Solids	3,513,204		\$1.3389 /lb	4,703,828.85
Class III Butterfat		10,862,339	\$1.7178 /lb	18,659,325.93
Protein	8,991,729		\$2.7326 /lb	24,570,798.65
Other Solids	15,569,353		\$ 0.5032 /lb	7,834,498.42
Class IV Butterfat		9,285,637	\$1.7178 /lb	15,950,867.25
Nonfat Solids	17,018,978		\$1.2141 /lb	20,662,741.20
Classified Value				\$133,681,271.97
Class II Overage Skim and Butterfat	162,599	0		19,593.18
Class III Overage Skim and Butterfat	3,382	0		386.90
Class IV Overage Skim and Butterfat	23,796	32,815		58,970.51
Total Overage	189,777	32,815		\$78,950.59
Class I Inventory Skim and Butterfat	436,579	0		17,070.24
Class II Inventory Skim and Butterfat	2,751,631	43,814		23,635.14
Class III Inventory Skim and Butterfat	1,184,765	6,017		3,157.89
Total Inventory	4,372,975	49,831		\$43,863.27
Producer Milk Value				\$133,804,085.83
Butterfat in Prod Milk x Butterfat Price	27,317,388		\$1.7178 /lb	46,925,809.11
Protein in Prod Milk x Protein Price	22,682,821		\$2.7326 /lb	61,983,076.67
Other Solids in Prod Milk x Other Solids Price	40,184,749		\$ 0.5032 /lb	20,220,965.67
Producer Milk Credits				\$129,129,851.45
PM Value - PM Credits				\$4,674,234.38
Location Adjustments				357,356.23
1/2 Balance in Producer Settlement Fund				285,362.21
Total Producer Milk and Differential Value	701,120,758	27,317,388	\$ 0.75835051	\$5,316,952.82
Producer Settlement Fund Reserve			\$0.04835051	338,995.46

Producer Price Differential at King County, WA

Statistical Uniform Price at King County, WA

\$ 0.71 /cwt

\$17.76 /cwt

Estimated Market Wide Skim Utilization Class I

33%

Estimated Market Wide Butterfat Utilization Class I

16%